

## Notice of Intent to Certify Sole Source

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**To:** Interested Parties

**From:** David C. Johnson

**CC:** ITS Project Number 46445

**Date:** June 8, 2021

**Re:** Sole Source Certification Number 4402 to provide Broadridge Software Support and Business Continuation Services for the Mississippi Office of the State Treasurer (OST)

**Contact Name:** Jordan Barber

**Contact Phone Number:** 601-432-8005

**Contact E-mail Address:** [Jordan.Barber@its.ms.gov](mailto:Jordan.Barber@its.ms.gov)

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### Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4402 for the Mississippi Office of the State Treasurer (OST), please be advised that ITS intends to award QED Financial Systems, Inc., as the sole source provider of Broadridge Software Support and Business Continuation Services through June 30, 2024, in an amount not to exceed \$988,120.00. Please be advised that ITS will determine if additional enhancements, upgrades, and support are within scope during the certification period and may increase the spending authority accordingly. Should QED Financial Systems, Inc., change their name during this certification period, then ITS will determine if a recertification is necessary. For an explanation regarding Mississippi state law, policy and procedures for sole source procurements, refer to Attachment C: Sole Source Procurement Overview.

### Sole Source Criteria

1. The product or services being purchased must perform a function for which no other product or source of services exist:

**The Broadridge Investment Accounting Software (BIA Software) is a cash-based accounting system used by the Office of the State Treasurer (OST) to fulfill the OST's duties defined in the Mississippi Code 7-9-1 through 7-9-53. OST maintains a cash accrual system (actual cash in bank) while MAGIC is a modified accrual system. The BIA system has four unique modules that OST currently utilizes: Treasury Management System (handles the tracking of all state warrants), General Ledger System (handles the balances of all state funds), Investment Management System (handles the balances of all state investments), and the Collateral Tracking System (tracks all collateral received for bonds). All four modules perform various**

workflows, reconciliation processes, and reporting. This system was adapted to interface with MAGIC on a daily basis. The Business Continuation Services provides OST with network access, remote system management, and data center management, application support, training and other consultative services. The customer's sole source certification request is included as Attachment A.

2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services:

OST has invested in the QED system for more than a decade and have a strategically sound history of operation with consistent performance. This system has been modified to interface with MAGIC. No other Vendor exists that can provide the four specific modules (Treasury Management System, General Ledger System, Investment Management System, and the Collateral Tracking System) to meet OST's business requirements. This state has invested heavily in time, money and resources to customize the BIA Software to work within the financial framework of Mississippi. At present, OST is unaware of any system that contains the individual modules provided by the current solution. The customer's sole source certification request is included as Attachment A.

3. The product or services must be available only from the manufacturer and not through resellers who could submit competitive pricing for the product or services:

QED Financial Systems, Inc., a wholly owned subsidiary of Broadridge Financial Solutions, Inc., ("Broadridge Investment Accounting") holds the intellectual property rights and owns the computer source code comprising the Q2 Portfolio Management and Investment Accounting Software ("BIA Software"). BIA Software is unavailable from any other source, whether commercial or private. Broadridge Investment Accounting is, therefore, the singular and sole provider of BIA Software. The Vendor's sole source certification letter is included as Attachment B.

## Schedule

Task	Date
First Advertisement Date	06/08/21
Second Advertisement Date	06/15/21
Response Deadline From Objectors	06/22/21 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 06/23/21

## Project Details

In 1995, ITS, on behalf of the Mississippi Department of Treasury, advertised RFP Number 2707 for the acquisition of hardware, software, and services required for the turnkey implementation of an investment portfolio management system. The awarded vendor was QED Information Systems, Inc. and a Maintenance Agreement was executed on July 13, 1995. Amendments to the Maintenance Agreement extended the contract through the years. Beginning July 2000, the Broadridge Investment Accounting financial software renewals have been certified by ITS as a sole source using then approved sole source procedures. In 2005, a Software Support and Business Continuation Agreement was executed for manufacturer maintenance. In May 2018, ITS issued Notice of Intent to Certify Sole Source Number 4093 for Broadridge Software Renewal through June 30, 2021 and received no objections. In April 2019, ITS issued Notice of Intent to Certify Sole Source Number 4205 for Q2 Portfolio Management and Investment Accounting

Software through August 31, 2019 and received no objections. OST wants to renew for another three years. The total spend to date is \$5,279,815.99.

## **Submission Instructions and Format of Response from Objecting Parties**

Interested parties who have reason to believe that the Broadridge Software Support and Business Continuation Services should not be certified as a sole source should provide information in the following format for the state to use in determining whether or not to proceed with awarding the Sole Source contract to QED Financial Systems, Inc.

### **1.1 Interested Party Information**

1.1.1 Contact Name, Phone Number and email address

1.1.2 Company Website URL, if applicable

### **1.2 Objection to Sole Source Certification**

1.2.1 Interested parties must present specific objections to the Sole Source certification using the criteria listed above.

1.2.2 A statement regarding the Interested Party's capabilities as related to this Sole Source Certification Request.

1.3 Comments will be accepted at any time prior to Tuesday, June 22, 2021, at 3:00 p.m. (Central Time) to Jordan Barber at [Jordan.Barber@its.ms.gov](mailto:Jordan.Barber@its.ms.gov) or at the Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Responses may be delivered by hand, via regular mail, overnight delivery, e-mail or by fax. Fax number is (601) 713-6380. ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF RESPONSES. It is solely the responsibility of the Interested Parties that responses reach ITS on time. Interested Parties may contact Jordan Barber to verify the receipt of their Responses. Responses received after the deadline will be rejected.

1.4 Interested Party responses should include the following information:

<p><b>SUBMITTED IN RESPONSE TO</b> <b>Sole Source Certification No. 4402-46445</b> <b>Accepted until June 22, 2021 @ 3:00 p.m.,</b> <b>ATTENTION: Jordan Barber</b></p>
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If you have any questions concerning the information above or if we can be of further assistance, please contact Jordan Barber at 601-432-8005 or via email at [Jordan.Barber@its.ms.gov](mailto:Jordan.Barber@its.ms.gov).

Attachment A: Customer Sole Source Certification Request

Attachment B: Vendor Correspondence

Attachment C: Sole Source Procurement Overview



Mississippi Department of  
Information Technology Services

3771 Eastwood Drive  
Jackson, Mississippi 39211  
Phone 601-432-8000 Fax 601-713-6380  
www.its.ms.gov

## Sole Source Certification Request

<b>Project Title:</b>		BIA Contract Renewal			
<b>Contact Information</b>					
<b>Agency/Institution:</b>		Office Of The State Treasurer		<b>Contact Person:</b>	Kurt Turner
<b>Mailing Address:</b>		501 North Wes Street Woolfork Building, Suite 1101 Jackson, MS 39201		<b>Phone Number:</b>	601-359-2734
				<b>Email Address:</b>	<a href="mailto:kturner@treasury.ms.gov">kturner@treasury.ms.gov</a>
<b>MAGIC Customer #:</b> (Only required from state agencies.)			700000081	<b>Division/Dept:</b>	N/A
<b>Project Summary</b>					
<b>Description of Project:</b> (Include details of original acquisition if applicable)		This project is to renew BIA for another 3 year term. Option to include AWS is included.			
<b>ITS Acquisition Approval (CP-1) should be effective through this date:</b>				6/30/24	
<b>Cost Estimates</b> (Maximum allowed duration is 3 years per request/project)					
<b>Fiscal Year</b>		<b>Initial Costs</b>	<b>Ongoing Costs</b>	<b>Time Constraints</b>	<b>Estimate the Anticipated Lifecycle or Years of Product/System's Effective Use:</b>
FY	2022		\$300,000.00	Item Needed by: 6/30/21	6/30/2031
FY	2023		\$306,000.00	Funds Expire: 6/30/21	
FY	2024		\$382,120.00	<b>Other Important Deadline(s):</b> (e.g. current contract/CP-1 expiration dates)	
<b>Total Estimated Project Cost:</b>			\$988,120.00	Current CP-1 and contract expires on 6/30/21	
<b>Funding Source:</b> 100% State Funds			State Funds		
<b>Discuss Funding:</b> (e.g. fund number; how much of needed funding is definite; total project budget; any matching or other non-state funds)					
<b>Acquisition Details</b>					
<b>Item or Part Number</b>		<b>Quantity</b>	<b>Description</b>		<b>Building Location(s)</b>
Broadridge Investment Accounting System		1	Software Maintenance Renewal		Woolfork Building
<b>Describe Platform and Infrastructure:</b> Where does your agency plan to house or host the requested equipment or service? What resources currently available through ITS are needed (network connectivity, cloud computing/storage, colocation, business resiliency, etc.)? <b>NOTE: For equipment or services outside of current ITS available contracts and resources, justification must be attached.</b>					
SUN Solaris, BIA frontend, MySQL backend.					
<b>Sole Source Certification -</b> Certification must be renewed for each revision or continuation of previous Sole Source Approvals.					
<b>Explain why these products or services are the only ones that can meet your needs:</b> (Include specific functionality or special features that make this product or service unique.)			The Broadridge Investment Accounting Software (BIA Software) is a cash-based accounting system used by the Office of the State Treasurer (OST) to fulfill the OST's duties defined in the Mississippi Code 7-9-1 through 7-9-53. OST maintains a cash accrual system (actual cash in bank) while MAGIC is a modified accrual system. The BIA system has four unique modules that OST currently utilizes: Treasury Management System (handles the tracking of all state warrants), General Ledger System (handles the balances of all state funds), Investment Management System (handles the balances of all state investments), and the Collateral Tracking System (tracks all collateral received for bonds). All four modules perform various workflows, reconciliation processes, and reporting. This system was adapted to interface with MAGIC on a daily basis.		
<b>Specific business requirements to be met by the products/services:</b> (e.g. intended use, how it helps accomplish a task, etc.)			OST has invested in the QED system for more than a decade and have a strategically sound history of operation with consistent performance. This system has been modified to interface with MAGIC. No other Vendor exists that can provide the four specific modules (Treasury Management System, General Ledger System, Investment Management System, and the Collateral Tracking System) to meet OST's business requirements. This state has invested heavily in time, money and resources to customize the BIA Software to work within the financial framework of Mississippi. At present, OST is unaware of any system that contains the individual modules provided by the current solution.		

<b>Explain why this is the only entity that can provide the products/services:</b> (Include other products/vendors researched or evaluated.)	QED Financial Systems, Inc., a wholly owned subsidiary of Broadridge Financial Solutions, Inc., ("Broadridge Investment Accounting") holds the intellectual property rights and owns the computer source code comprising the Q2 Portfolio Management and Investment Accounting Software ("BIA Software"). BIA Software is unavailable from any other source, whether commercial or private. Broadridge Investment Accounting is, therefore, the singular and sole provider of BIA Software.
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**If for services or installations (not a product) the following two questions must be addressed.**

<b>Vendor's proposal submitted:</b>	<input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> (select only one)	<b>Vendor's Certification of Sole Source attached:</b>	<input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>
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**MAGIC Vendor Code(s) - Vendor must be in MAGIC before a CP-1 can be issued.**

<b>Place Order To Vendor Code:</b>	<b>Vendor Name:</b>	Broad Ridge Output Solutions (QED Financial Systems Inc.)	<b>Remit To Vendor Code:</b>	<b>Vendor Name:</b>	Broad Ridge Output Solutions (QED Financial Systems Inc.)
	<b>Vendor Address:</b>	110 West Park Drive Mt. Laurel, NJ 08054		<b>Vendor Address:</b>	110 West Park Drive Mt. Laurel, NJ 08054

By my signature, I certify that, to the best of my professional knowledge: the requested product or services are a sole source as outlined in the ITS Procurement Handbook, Rule 207.2:013-030 Procurement Types: Sole Source, and as outlined in Mississippi Code annotated Section 31-7-13.

Brian Wilson Deputy Treasurer  
 Name and Title (Agency Head/Institution President/CIO)

Brian Wilson  
 Signature

6/8/21  
 Date



Ready for Next

Tuesday, May 11, 2021

Mr. Kurt Turner  
Chief Information Officer  
Office of State Treasurer David McRae  
State of Mississippi  
501 North West Street  
Woolfolk Building Suite 1101  
Jackson, MS 39201

Re: Sole-Source Provider Attestation for Q2 Portfolio Management and Investment Accounting Software

Mr. Turner,

The undersigned affirms, attests, and certifies by signature on this letter, that QED Financial Systems, Inc., a wholly owned subsidiary of Broadridge Financial Solutions, Inc., ("Broadridge Investment Accounting") holds the intellectual property rights and owns the computer source code comprising the Q2 Portfolio Management and Investment Accounting Software ("BIA Software"). BIA Software is unavailable from any other source, whether commercial or private. Broadridge Investment Accounting is, therefore, the singular and sole provider of BIA Software.

BIA Software is developed and copyrighted by Broadridge Investment Accounting and licensed to the State of Mississippi Office of the State Treasurer for use in the administration, recordkeeping, accounting, and management of the State's investments, cash, collateral, and other such assets that may be entrusted to the stewardship of the Office of the State Treasurer.

Broadridge Investment Accounting does not release, or make available to any third party, the computer source code comprising the BIA Software. The compiled BIA Software, any and all enhancements thereto, any updates to the computer source code, and any database objects contained in the BIA Software that comprise, collectively the BIA Software are proprietary to, and available only from, Broadridge Investment Accounting.

BIA Software is provided solely by Broadridge Investment Accounting and only under the terms of an Agreement between Broadridge Investment Accounting and its direct clients. Broadridge Investment Accounting does not authorize the sale or resell of BIA Software, in any manner, through any third-party source. BIA Software, and the architecture and configuration of BIA Software, are confidential, proprietary trade secrets and intellectual property that belongs only to Broadridge Investment Accounting. Further, considerations including, but not limited to,

Broadridge Financial Solutions, Inc.  
Broadridge Investment Accounting  
110 West Park Drive  
Mount Laurel, New Jersey 08054

[broadridge.com](http://broadridge.com)

protection of intellectual property, confidentiality, risk mitigation, and information security, Broadridge Investment Accounting does not engage, or utilize services of, any third party contractor or sub-contractor for the fulfillment of hardware, operating system, or BIA Software configuration or support services.

On behalf of the entire Broadridge Investment Accounting team, please allow me to express our continued deep appreciation for the mutual business relationship between our organizations.

Sincerely,



Eric Bernstein  
President,  
Broadridge Asset Management Solutions, Inc.

cc: Brian Wilson, Deputy Treasurer, State of Mississippi Office of the State Treasurer  
Joseph Cole, Senior Director of Account Management, Broadridge Investment Accounting  
Steve Doran, Vice President of Account Management, Broadridge Financial Solutions

Broadridge Financial Solutions, Inc.  
Broadridge Investment Accounting  
110 West Park Drive  
Mount Laurel, New Jersey 08054

[broadridge.com](http://broadridge.com)

The acquisition of information technology for all state agencies and institutions of higher learning (IHLs) is within the scope of the ITS law, found in Mississippi Code Section 25-53-1, et seq., and the policies and procedures established in accordance with this statute, found in the ITS Procurement Handbook posted on the ITS website ([www.its.ms.gov](http://www.its.ms.gov)).

ITS enabling legislation requires that information technology hardware, software and services be acquired in a manner that insures the maximum of competition among all manufacturers and suppliers of such equipment and services. Accordingly, ITS promotes full and open competition through the issuance of open specifications and the objective evaluation of Interested Party proposals to determine the lowest and best offering to meet an agency's or public university's business requirements. True competition protects the integrity and credibility of purchasing in the public sector and is essential in providing best value and adequate contractual protection for the purchasing entity. In certain limited situations, information technology acquisitions may be sole-sourced.

ITS utilizes the provisions of Public Purchasing Law for Sole Source and Emergency procurements of information technology. Mississippi Public Purchasing Law (Mississippi Code Section 31-7-13) specifies that noncompetitive items available from one source only be exempted from bid requirements (sole-sourced). ITS statute, in Section 25-53-5 (p), permits ITS to utilize provisions in Public Purchasing Law or regulations, when applicable.

Per Public Purchasing law, acquisitions must meet the following criteria to be authorized as sole source:

1. The product or services being purchased must perform a function for which no other product or source of services exists,
2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services, AND
3. The product or services must be available only from the manufacturer and NOT through resellers who could submit competitive pricing for the product or services. The vendor's correspondence regarding this criterion for this project is included as Attachment B.

By policy as documented in the ITS Procurement Handbook, acquisitions of IT services must include the following information to be authorized as sole source:

1. An explanation about why the amount to be expended is reasonable, and
2. An explanation regarding the efforts by the purchaser to obtain the best possible price.

For state agencies, approval of all technology purchases with a lifecycle cost of \$5,000 or less, including sole source purchases, has been delegated to the agency. The ITS Procurement Limits Policies for Agencies (a section in the ITS Procurement Handbook) require a minimum of two competitive written bids or proposals for technology purchases with a lifecycle cost over \$5,000 but not over \$50,000 (not over \$25,000 for projects funded by the American Recovery and Reinvestment Act). Since, for single source items, the procuring agency will be unable to obtain two written bids, ITS must certify all sole source acquisitions of information technology with a lifecycle cost greater than \$5,000.

Institutions of Higher Learning (IHLs) or public universities have been delegated the authority to certify sole source procurements up to \$250,000 lifecycle cost under the ITS Procurement Limits Policies for IHLs (a section in the ITS Procurement Handbook). For the certification of sole source procurements delegated to the CIOs at public universities, the public university must follow ITS' Sole Source Procedure, including advertisement of the intent to award as sole source. Institutions certifying a sole source purchase must ensure the criteria listed above are met and documented in writing by the institution and the Interested Party prior to certifying a product or service as sole source. Sole source documentation must be reviewed and approved by the IHL's CIO for any sole-source certification

above \$5,000. All sole source documentation should be retained in the public university's procurement file. Sole source requests above \$250,000 lifecycle cost require ITS approval.

Other than the delegations outlined above, all sole source technology procurements must be certified by ITS. The customer's Sole Source Certification Request for this project is included as Attachment A.

ITS thoroughly reviews Sole Source Certification Requests, determining if competing products and/or services exist. If so, ITS conducts a competitive procurement. If ITS' review confirms the sole source, then a Sole Source advertisement is issued, giving other Interested Parties an opportunity to identify competing products and/or services. Based upon the results of the Sole Source advertisement, ITS will either certify the request as a sole source or conduct a competitive procurement.